(a) whether the B.K. Chaturvedi Committee on Finances of Oil Companies has submitted its report; and

(b) if so, the main recommendations of the Committee and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) A High Power Committee under the Chairmanship of Shri B.K. Chaturvedi, constituted to examine the financial position of Oil Companies, has submitted its Report on 31.07.2008.

The main recommendations of the Committee are as under:

(i) The change of pricing at the refinery gate from the current Trade Parity (for Petrol and Diesel) and Import Parity (for Kerosene and LPG) to Free on Board (FOB) Export Parity basis).

(ii) The price of Petrol be adjusted to fully reflect international prices by March, 2009 and the price of Diesel be adjusted to fully reflect international prices in 24 months time.

(iii) Sale of Diesel to industrial and commercial users be at market prices to be negotiated on commercial considerations.

(iv) Once these price adjustments are completed, Government should disengage from the process of pricing of petroleum products, and allow pricing to be an outcome of a competitive market process.

(v) Subsidies on LPG (Domestic) and SKO (PDS) should be restricted to BPL families only. This subsidy should be delivered through Smart Cards or cash transfer in urban and semi-urban areas and not through supply of products below their market prices.

(vi) For Domestic LPG, the entitlement to subsidised supply should be reduced to 6 refills in a year, which could be progressively reduced to 4 refills, 2 refills and zero refills in the following years.

The recommendations made by the Committee are under consideration of the Government.

**Supply of petro-products to petro-outlets**

2424. SHRI S. ANBALAGAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether oil companies supply petroleum products above 15 Centigrade to petroleum outlets throughout instead of mandatory required Centigrade which results in loss to petroleum outlets and huge benefits to the officials of oil companies; and

(b) if so, the details in this regard including the complaints received if any, and the action taken thereon during the last three years, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) Oil Marketing Companies (OMCs) have reported that petroleum products are supplied at natural temperature from their storage points to all petroleum Retail Outlets (ROs) and the pricing is also done at natural temperature. Representations were received by OMCs and this Ministry that losses are being incurred at the ROs due to the reasons that OMCs are supplying products to them at higher temperature. However, their contention is not established since studies carried out by Oil Industry and IIP, Dehradun on the subject indicates that at whatever temperature OMCs supply the product, the ROs receive the product at the same temperature.

**Reserves in East Godavari Basin**

2425. SHRI TARIQ ANWAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that a large numbers of reserves have been found in East Godavari Basin by one of the private companies in the country;

(b) if so, the details thereof; and

(c) how much time it will take for the production?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) Yes, Sir. M/s. Reliance Industries Limited (RIL) and Gujarat State Petroleum Corporation Ltd., (GSPC) and consortium of Oil and Natural Gas Corporation Ltd., (ONGC) and Cairn India Limited (CAIRN) have discovered oil and gas in offshore areas of East Godavari Basin. The details are as under:

| Blocks | Reserves Established as on 1.4.2008 |
|---|---|
| KG-DWN-98/3 (RIL and NIKO Resources Limited (NIKO) | 570 MMT (O+OEG) |
| KG-OSN-2001/3 (GSPC, GGRL and JEPL) | 45.3 MMT (O+OEG) |
| KG-DWN-98/2 (ONGC and CAIRN | The reserves in this block have not been established. |

(c) The commercial production of oil in the block KG-DWN-98/3 commenced in September, 2008 @ 10000 barrels of oil per day. The gas production from the Block KG-DWN-98/3 is expected to commence by January, 2009.

**Gujarat Motor Vehicles Regulation Bill**

2426. SHRI KANJIBHAI PATEL:
SHRI VIJAYKUMAR RUPANI:
SHRI NATUJI HALAJI THAKOR:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to refer to Unstarred Question 1197 answered in Rajya Sabha on 11 March, 2008 and state :